LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7072 NOTE PREPARED: Jan 2, 2004

BILL NUMBER: SB 324 BILL AMENDED:

SUBJECT: Health Coverage for Certified Surgical Assistants.

FIRST AUTHOR: Sen. Simpson BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill requires certain accident and sickness insurance policies and health maintenance organization (HMO) contracts to provide coverage for intraoperative surgical services provided by a certified surgical assistant.

Effective Date: July 1, 2004.

Explanation of State Expenditures: This bill requires an HMO or individual or group accident and sickness policy to provide reimbursement for intraoperative surgical care services provided by a certified surgical assistant (CSA). This bill could impact state or local health expenditures to the extent that implementation may reduce expenditures related to surgical care as CSAs are reimbursed at a lower rate than are surgeons that act in a first assistant role. However, this bill does not require a person or entity that provides surgical services to employ or utilize a nonphysician certified surgical assistant.

Background: A surgeon may elect to have either another surgeon, a CSA, or other nonphysician assistant assist in a surgical procedure. The second surgeon can bill their services as a first assistant; however, there is not an industry standard for payment for nonphysician services. This bill seeks to establish a consistent reimbursement protocol. In addition, surgeons may be more likely to hire CSAs and use fewer surgeons as first assistants if the insurance company paid for these costs directly. In most cases the surgeon is responsible for paying the CSA fee out of the surgeon's own fee.

Explanation of State Revenues:

Explanation of Local Expenditures: See Explanation of State Expenditures.

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Explanation of Local Revenues:

State Agencies Affected: All.

<u>Local Agencies Affected:</u> Local units and school corporations that utilize HMOs or an individual or group accident and sickness policy as a health care provider.

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